

Assembly Joint Resolution

No. 4

Introduced by Assembly Members Cervantes and Quirk-Silva
(*Coauthors: Assembly Members Aguiar-Curry, Arambula, Baker, Berman, Bloom, Bocanegra, Bonta, Burke, Caballero, Calderon, Chau, Chávez, Chiu, Chu, Cooley, Cooper, Cunningham, Daly, Eggman, Frazier, Friedman, Eduardo Garcia, Gipson, Gloria, Gonzalez Fletcher, Gray, Grayson, Holden, Irwin, Jones-Sawyer, Kalra, Lackey, Levine, Limón, Low, Maienschein, Mathis, McCarty, Medina, Mullin, Muratsuchi, Nazarian, O'Donnell, Quirk, Rendon, Reyes, Rodriguez, Rubio, Salas, Santiago, Steinorth, Mark Stone, Thurmond, Ting, Voepel, Waldron, Weber, and Wood*)

February 13, 2017

Assembly Joint Resolution No. 4—Relative to home ownership.

LEGISLATIVE COUNSEL'S DIGEST

AJR 4, as introduced, Cervantes. Home Ownership.

This measure would call upon the President of the United States to reinstate the mortgage fee reduction promulgated by the Department of Housing and Urban Development under the previous administration.

Fiscal committee: no.

- 1 WHEREAS, Home ownership is fundamental to the financial
- 2 prosperity and economic security of America's middle class; and
- 3 WHEREAS, A home is often a family's primary source of
- 4 growing wealth, as homeowners have, on average a net worth 36
- 5 times greater than renters; and

1 WHEREAS, Home ownership has additional social benefits, as
2 the children of homeowners tend to do better in school, have lower
3 rates of committing crime, and lower rates of drug use; and

4 WHEREAS, It should be the policy of both the federal
5 government and the State of California to enable more and more
6 Californians to buy and keep their own homes; and

7 WHEREAS, American home ownership rates are at a 50-year
8 low, down to 63.1 percent of all households being homeowners;
9 and

10 WHEREAS, As his first act upon taking office, the President
11 of the United States canceled a rule promulgated by the United
12 States Department of Housing and Urban Development under the
13 previous administration that would have cut mortgage fees for
14 certain low-income homeowners; and

15 WHEREAS, Implementation of the rule would have saved
16 eligible California homeowners an average of \$860 per year; and

17 WHEREAS, The mortgage fee reduction program was popular
18 with new homeowners, and was used by about 40 percent of
19 millennial buyers; and

20 WHEREAS, The cancellation of the rule has made it more
21 expensive, and even possibly cost prohibitive, for many
22 Californians to purchase their first homes and to make an
23 investment in their financial future than if the rule has been
24 preserved; now, therefore, be it

25 *Resolved by the Assembly and the Senate of the State of*
26 *California, jointly,* That the Legislature calls upon the President
27 of the United States to reinstate the mortgage fee reduction
28 promulgated by the Department of Housing and Urban
29 Development under the previous administration; and be it further

30 *Resolved,* That the Chief Clerk of the Assembly transmit copies
31 of this resolution to the President and Vice President of the United
32 States, to the Secretary of Housing and Urban Development, to
33 the Speaker of the House of Representatives, to the Majority Leader

1 of the Senate, and to each Senator and Representative from
2 California in the Congress of the United States.

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5 **REVISIONS:**

6 **Heading—Line 2.**

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